



How Co-op Forecast

March 2022

Basket made from 100%
recycled plastic



Introduction

Please note Co-op’s approach to forecasting is aligned to newly introduced SAP processes, which are a work in progress. The information contained in this guide is up to date at the time of publication and will undergo continuous review as processes develop.

It is not a guide for using the SAP system. The guide contains a simple vendor escalation process to follow if you disagree with any decision made in relation to forecasting (please refer to the [Vendor Escalation Process section](#)).

Acronyms & Definitions

Term	Definition
Co-op Connect	Our new Supplier Portal – used for various different account management activities, including accessing forecasts.
Forecasting	A broad term to cover different types of forecasts. In the context of this document, it refers to operational demand forecasting.
GSCOP	Groceries Supply Code of Practice – details how designated retailers under The Groceries (Supply Chain Practices) Market Investigation Order 2009 should manage their relationship with suppliers to ensure that they are treated fairly.
SAP	Global software developed to manage business operations and customer relations. Many of Co-op’s IT systems, including Co-op Connect, are powered by SAP.
New Collaboration Request Form	A form that must be completed by any vendor who would like to request additional collaboration on their forecast, but doesn’t know who their Collaboration Planner is. You can find the form here .

How Co-op Forecast

At Co-op, one of the key elements of every supplier relationship is the Supply Agreement. All Co-op vendors have a written supply agreement, detailing the terms of how we will do business together.

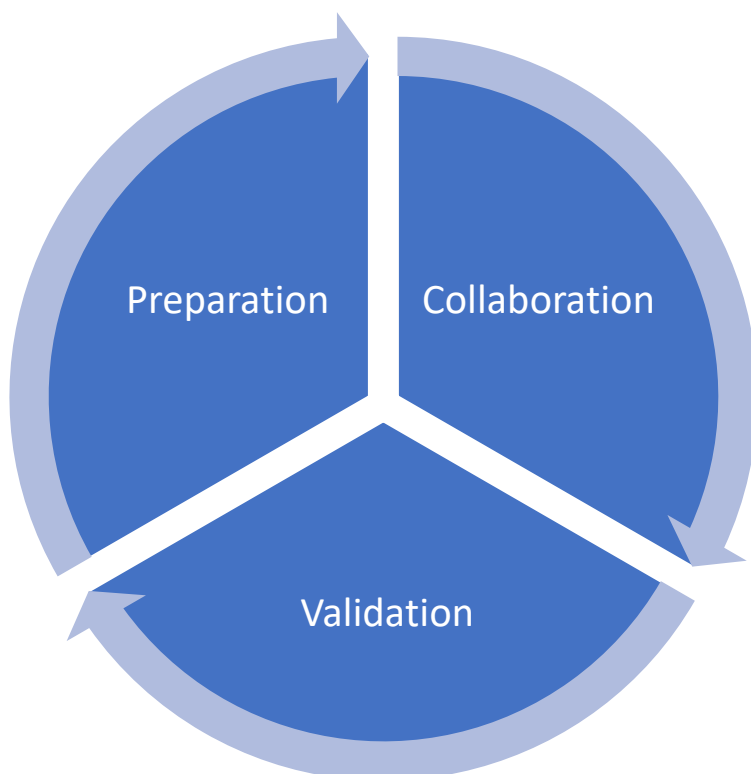
As standard practice at Co-op:

- Every vendor must have access to an automated (system-generated) demand forecast for the products that they supply to Co-op.
 - This must be available for vendors to self-serve; or on occasions where this is not possible, the forecast data must be made readily available to vendors upon request.

Co-op have recently invested in a new SAP IT system; including a new Supplier Portal, Co-op Connect, which has capability to provide valuable data to all vendors in relation to forecasting. These forecasts will be sufficient for most vendors and most items, most of the time.

- We also recognise that there may be circumstances where a vendor needs additional support. We want to be easy to do business with, and consistent with all vendors. Therefore, any vendor can request additional support and this support will be reviewed on a case-by-case basis, always considering the impact on the vendor.

Our 3 Step Process



Most vendors will be satisfied with the preparation of the forecasts and therefore may not need to enter any further collaboration or validation steps

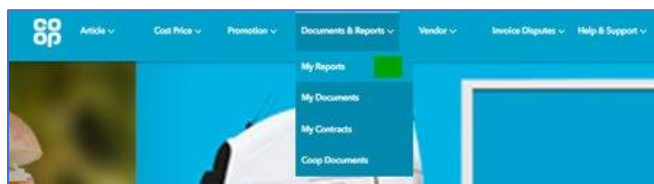
Preparation

As a Co-op vendor, you'll be given access to Co-op Connect; you must be set up in order to trade with the Co-op.

- You'll have access to a suite of forecasting reports, plus supporting documentation that will help you navigate the system.
- The reports are generated by algorithms within the system that consider factors such as: rates of sale, market insights, weather, seasonality, events or known environmental factors, as well as agreed order cycles and lead times.
- Reports are self-serve and available in a downloadable format.
- They can be pulled in weekly segments, for a time period of your choice.

Unsure where to find the reports?

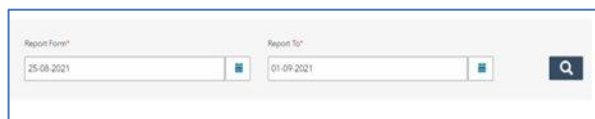
Access Co-op Connect and click on Documents and Reports



Click on Forecasting in the drop-down menu



Amend dates if needed and click on the magnifying glass



- Co-op Connect can be accessed via [this link](#).
- Alternatively, you can access simulations on EnableNow. All Co-op Connect users are given access to EnableNow as part of their setup and can access it via a separate tile on their MyApps page.
- Any queries relating to Co-op Connect can be directed to coopconnectsupport@coop.co.uk.
- If you need to add new users, please ask your Account Manager to contact the Connect team

Collaboration

- In-line with our GSCOP duties we prepare forecasts in good faith and with due care. We invite vendors to review and consult on these.
- Collaboration is part of a healthy supply relationship. It can actively help us improve the accuracy of the forecast by resolving unexpected issues ahead of orders being generated.
- Collaboration means that a vendor has engaged with a Co-op Supply Chain colleague. This engagement is to discuss the forecasting data that is produced during the preparation stage.
 - Vendors should contact their Collaboration Planner; if you're unsure then please complete the [New Collaboration Request Form](#) to request support.
- Collaboration Planners will record all collaboration requests. Records will be retained and can be used in future reviews to help improve services and relationships.

Validation

- Validation could mean that you've reviewed the data in Co-op Connect, are happy with the detail and have no requests to collaborate.
- It could also mean that having reviewed the data, you've identified a need for collaboration with our Supply Chain team.
 - In this instance, validation will include further communication with our Supply Chain to achieve a resolution that gives you the information that you need – this could involve calls or meetings until the queries are resolved.
- Any vendor can collaborate with Co-op if the information within the reports is not clear, such as:
 - An unexpected spike or dip in the forecasted order volumes or a product forecast missing from the reports
 - We also recognise that some vendors need additional data to help them to forecast. This could be due to the 'one off' nature of the activity, or it could be for a number of other factors (e.g. a highly seasonal item, a new supplier or a long lead time product).

Vendor Escalation Process

If you disagree with any forecasting decision, you can appeal that decision through the escalation process shown below:

Supply Chain Escalation	Key Contact	1st Escalation	2nd Escalation	3rd Escalation
Forecasting Issue Resolution	Supply Chain Demand Planner	Supply Chain Collaboration Planner	Category Supply Manager	Supplier Engagement Team - supplierengagement@coop.co.uk

If any of the colleagues reviewing the decision identify any GSCOP implications, this will be investigated with the involvement of the relevant Senior Buyer. You also have the right to make a written request for Senior Buyer review of any decisions made in relation to GSCOP – Senior Buyer details can be requested from your Buyer.

If you wish to raise a GSCOP-related issue or query with the Code Compliance Officer, you can contact: Co-op.Code.Compliance.Officer@coop.co.uk



Any questions?
supplierengagement@coop.co.uk



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